

**NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2007**

King County has established Enterprise Funds to account for organizations which are intended to be self-supporting through fees charged for services provided to the public. The County has five nonmajor enterprises that use the accrual basis of accounting. A typical enterprise consists of an operating fund and construction subfund and may also include debt service or other reserve subfunds.

Institutional Network (I-Net) Enterprise Fund – Accounts for the development and operations of a fiberoptic network which connects approximately 300 public facilities across King County. I-Net provides broadband internet connectivity, including data, voice and video communications to schools in unincorporated King County, public safety agencies, courts, public health facilities, and other public service agencies.

King County International Airport (KCIA) Enterprise Fund – Accounts for the operations, maintenance, capital improvements, and expansion of the King County International Airport/Boeing Field. With its two runways (3,710 feet and 10,000 feet in length) and four fixed-base operators, KCIA provides all the facilities and services necessary to support jet and propeller-driven aircraft and helicopters. KCIA is an FAA-designated General Aviation Reliever for Sea-Tac Airport and averages over 375,000 general aviation operations per year.

Radio Communications Services Enterprise Fund – Accounts for the operations, maintenance, capital improvements, and expansion of the 800 MHz trunked radio system that provides communications for virtually all public safety agencies of the County, as well as many other local government agencies. Costs are recovered primarily through user fees, including charges for maintenance and future equipment replacement.

Solid Waste Enterprise Fund – Accounts for the operations, maintenance, capital improvements, and expansion of the County's solid waste disposal facilities under the Solid Waste Division of the Department of Natural Resources and Parks. The County operates eight solid waste transfer stations, two drop box stations, two household hazardous waste facilities, one regional landfill, and recycling services for residential customers. Operating revenues result primarily from tipping fees at the active solid waste disposal sites, while bond proceeds fund most new construction. Significant reserves are set aside to replace landfills, to provide for post-closure care and remediation costs, and to replace capital equipment.

Stadium Enterprise Fund – Originally established to account for the operations, maintenance, and capital improvements to the King County Stadium (the Kingdome). Although the implosion and subsequent demolition of the Kingdome took place in 2000, the enterprise fund remains open pending final disposition of the fund's remaining assets.

COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2007
(IN THOUSANDS)

	RADIO KING COUNTY COMMUNI- INTERNATIONAL CATIONS					
	TOTAL	I-NET	AIRPORT	SERVICES	SOLID WASTE	STADIUM
ASSETS						
Current assets						
Cash and cash equivalents	\$ 75,050	\$ 1,508	\$ 9,326	\$ 5,317	\$ 58,796	\$ 103
Restricted cash and cash equivalents	993	-	986	7	-	-
Accounts receivable	7,381	207	561	181	6,432	-
Estimated uncollectible accounts receivable	(59)	-	(10)	-	(49)	-
Due from other funds	729	59	10	7	653	-
Due from other governments	803	189	-	-	614	-
Inventory of supplies	1,259	-	158	85	1,016	-
Total current assets	<u>86,156</u>	<u>1,963</u>	<u>11,031</u>	<u>5,597</u>	<u>67,462</u>	<u>103</u>
Noncurrent assets						
Restricted assets						
Cash and cash equivalents	81,005	-	10,410	3,215	67,380	-
Accounts receivable	25	-	-	25	-	-
Due from other governments	508	-	508	-	-	-
Total restricted assets	<u>81,538</u>	<u>-</u>	<u>10,918</u>	<u>3,240</u>	<u>67,380</u>	<u>-</u>
Capital assets						
Land	41,977	-	14,960	-	25,594	1,423
Buildings	61,082	-	34,245	-	26,104	733
Improvements other than buildings	162,252	13,354	26,953	4,650	117,295	-
Furniture, machinery and equipment	82,764	6,572	4,198	18,945	53,049	-
Accumulated depreciation	(189,700)	(11,020)	(33,045)	(16,536)	(128,366)	(733)
Work in progress	76,989	-	35,947	-	41,042	-
Total capital assets	<u>235,364</u>	<u>8,906</u>	<u>83,258</u>	<u>7,059</u>	<u>134,718</u>	<u>1,423</u>
Other noncurrent						
Deferred charges	427	-	-	-	427	-
Total noncurrent assets	<u>317,329</u>	<u>8,906</u>	<u>94,176</u>	<u>10,299</u>	<u>202,525</u>	<u>1,423</u>
TOTAL ASSETS	<u>403,485</u>	<u>10,869</u>	<u>105,207</u>	<u>15,896</u>	<u>269,987</u>	<u>1,526</u>
LIABILITIES						
Current liabilities						
Accounts payable	8,759	250	1,130	118	7,261	-
Due to other funds	3,757	-	2,458	51	1,248	-
Interest payable	407	86	27	-	294	-
Wages payable	1,587	29	132	48	1,378	-
Compensated absences payable	194	3	11	3	177	-
Taxes payable	193	-	155	16	22	-
Unearned revenue	2,053	108	1,944	-	1	-
Customer deposits	361	-	312	49	-	-
General obligation bonds payable	4,360	495	345	-	3,520	-
Landfill closure and closure care liability	6,000	-	-	-	6,000	-
Total current liabilities	<u>27,671</u>	<u>971</u>	<u>6,514</u>	<u>285</u>	<u>19,901</u>	<u>-</u>
Noncurrent liabilities						
Compensated absences payable	3,902	79	341	88	3,394	-
Other postemployment benefits	109	2	10	3	94	-
General obligation bonds payable	57,121	4,170	6,475	-	46,476	-
Deferred bond discount/refunding losses	2,116	-	-	-	2,116	-
Environmental remediation	2,624	-	2,624	-	-	-
Landfill closure and closure care liability	100,816	-	-	-	100,816	-
Total noncurrent liabilities	<u>166,688</u>	<u>4,251</u>	<u>9,450</u>	<u>91</u>	<u>152,896</u>	<u>-</u>
TOTAL LIABILITIES	<u>194,359</u>	<u>5,222</u>	<u>15,964</u>	<u>376</u>	<u>172,797</u>	<u>-</u>
NET ASSETS						
Invested in capital assets, net of related debt	171,767	4,241	76,438	7,059	82,606	1,423
Restricted for capital projects	12,345	-	9,105	3,240	-	-
Unrestricted	25,014	1,406	3,700	5,221	14,584	103
TOTAL NET ASSETS	<u>\$ 209,126</u>	<u>\$ 5,647</u>	<u>\$ 89,243</u>	<u>\$ 15,520</u>	<u>\$ 97,190</u>	<u>\$ 1,526</u>

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007
(IN THOUSANDS)

		RADIO KING COUNTY COMMUNI- INTERNATIONAL CATIONS AIRPORT SERVICES				SOLID WASTE	STADIUM
	TOTAL	I-NET	AIRPORT	SERVICES			
OPERATING REVENUES							
I-Net fees	\$ 3,060	\$ 3,060	\$ -	\$ -	\$ -	\$ -	
Radio services	3,763	-	-	3,763	-	-	
Solid waste disposal charges	89,265	-	-	-	89,265	-	
Airfield fees	3,094	-	3,094	-	-	-	
Hangar, building, and site rentals and leases	9,367	-	9,367	-	-	-	
Reimbursement for services to tenants	1,442	-	1,442	-	-	-	
Miscellaneous	13	-	13	-	-	-	
Total operating revenues	<u>110,004</u>	<u>3,060</u>	<u>13,916</u>	<u>3,763</u>	<u>89,265</u>	<u>-</u>	
OPERATING EXPENSES							
Personal services	43,927	904	4,087	1,354	37,582	-	
Materials and supplies	8,423	34	420	261	7,708	-	
Contract services and other charges	26,446	792	1,537	450	23,667	-	
Utilities	3,445	2	1,158	92	2,193	-	
Internal services	12,985	425	4,584	530	7,446	-	
Landfill closure and post-closure care	18,918	-	-	-	18,918	-	
Depreciation	17,874	1,649	1,521	1,138	13,566	-	
Total operating expenses	<u>132,018</u>	<u>3,806</u>	<u>13,307</u>	<u>3,825</u>	<u>111,080</u>	<u>-</u>	
OPERATING INCOME (LOSS)	<u>(22,014)</u>	<u>(746)</u>	<u>609</u>	<u>(62)</u>	<u>(21,815)</u>	<u>-</u>	
NONOPERATING REVENUES (EXPENSES)							
Interest earnings	5,085	55	646	242	4,139	3	
Interest expense	(1,983)	(238)	(340)	-	(1,405)	-	
Rental income	564	-	-	-	564	-	
DNR administration revenue	2,894	-	-	-	2,894	-	
DNR administration expense	(3,396)	-	-	-	(3,396)	-	
Gain (loss) on disposal of capital assets	54	(191)	5	(13)	253	-	
Remediation expense	(809)	-	(809)	-	-	-	
Miscellaneous revenue	400	-	-	-	400	-	
Miscellaneous expense	(1,329)	-	-	-	(1,329)	-	
Total nonoperating revenues (expenses)	<u>1,480</u>	<u>(374)</u>	<u>(498)</u>	<u>229</u>	<u>2,120</u>	<u>3</u>	
Income (loss) before contributions and transfers	(20,534)	(1,120)	111	167	(19,695)	3	
Capital grants and contributions	3,430	17	2,533	190	690	-	
Transfers in	-	-	-	-	-	-	
Transfers out	(416)	(12)	(8)	(36)	(360)	-	
CHANGE IN NET ASSETS	<u>(17,520)</u>	<u>(1,115)</u>	<u>2,636</u>	<u>321</u>	<u>(19,365)</u>	<u>3</u>	
NET ASSETS - JANUARY 1, 2007	<u>226,646</u>	<u>6,762</u>	<u>86,607</u>	<u>15,199</u>	<u>116,555</u>	<u>1,523</u>	
NET ASSETS - DECEMBER 31, 2007	<u>\$ 209,126</u>	<u>\$ 5,647</u>	<u>\$ 89,243</u>	<u>\$ 15,520</u>	<u>\$ 97,190</u>	<u>\$ 1,526</u>	

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007
(IN THOUSANDS)
(PAGE 1 OF 2)

	TOTAL	I-NET	KING COUNTY INTERNATIONAL AIRPORT	RADIO COMMUNI- CATIONS SERVICES	SOLID WASTE	STADIUM
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from customers	\$ 109,152	\$ 2,903	\$ 13,566	\$ 3,768	\$ 88,915	\$ -
Cash payments to suppliers for goods and services	(51,864)	(1,399)	(8,853)	(1,339)	(40,273)	-
Cash payments for employee services	(43,529)	(890)	(4,130)	(1,342)	(37,167)	-
Other receipts	3,858	-	-	-	3,858	-
Other payments	(4,717)	-	-	-	(4,717)	-
Net cash provided by operating activities	<u>12,900</u>	<u>614</u>	<u>583</u>	<u>1,087</u>	<u>10,616</u>	<u>-</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers out	(416)	(12)	(8)	(36)	(360)	-
Net cash used by noncapital financing activities	<u>(416)</u>	<u>(12)</u>	<u>(8)</u>	<u>(36)</u>	<u>(360)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of capital assets	(43,776)	(21)	(4,318)	(250)	(39,187)	-
Principal paid on general obligation bonds	(6,497)	(540)	(325)	-	(5,632)	-
Interest paid on general obligation bonds	(1,676)	(158)	(341)	-	(1,177)	-
Proceeds from general obligation bond issue	40,635	-	-	-	40,635	-
Capital grants received	3,223	-	2,533	-	690	-
Proceeds from disposal of capital assets	262	-	10	-	252	-
Landfill closure and post-closure care	(2,741)	-	-	-	(2,741)	-
Net cash used by capital and related financing activities	<u>(10,570)</u>	<u>(719)</u>	<u>(2,441)</u>	<u>(250)</u>	<u>(7,160)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Decrease in allocation of pooled reverse repurchase agreements	(5,831)	-	(880)	-	(4,951)	-
Interest on investments (including unrealized gains and losses reported as cash and cash equivalents)	<u>5,085</u>	<u>55</u>	<u>646</u>	<u>242</u>	<u>4,139</u>	<u>3</u>
Net cash provided (used) by investing activities	<u>(746)</u>	<u>55</u>	<u>(234)</u>	<u>242</u>	<u>(812)</u>	<u>3</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>1,168</u>	<u>(62)</u>	<u>(2,100)</u>	<u>1,043</u>	<u>2,284</u>	<u>3</u>
CASH AND CASH EQUIVALENTS - JANUARY 1, 2007	<u>155,880</u>	<u>1,570</u>	<u>22,822</u>	<u>7,496</u>	<u>123,892</u>	<u>100</u>
CASH AND CASH EQUIVALENTS - DECEMBER 31, 2007	<u>\$ 157,048</u>	<u>\$ 1,508</u>	<u>\$ 20,722</u>	<u>\$ 8,539</u>	<u>\$ 126,176</u>	<u>\$ 103</u>

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2007
(IN THOUSANDS)
(PAGE 2 OF 2)

	<u>TOTAL</u>	<u>I-NET</u>	<u>KING COUNTY INTERNATIONAL AIRPORT</u>	<u>RADIO COMMUNI- CATIONS SERVICES</u>	<u>SOLID WASTE</u>	<u>STADIUM</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating income (loss)	<u>\$ (22,014)</u>	<u>\$ (746)</u>	<u>\$ 609</u>	<u>\$ (62)</u>	<u>\$ (21,815)</u>	<u>\$ -</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Depreciation	17,874	1,649	1,521	1,138	13,566	-
Landfill closure and post-closure care	18,918	-	-	-	18,918	-
Other nonoperating revenue/expense	(1,668)	-	(809)	-	(859)	-
Changes in assets - (increase) decrease						
Accounts receivable, net	(798)	72	(69)	(75)	(726)	-
Due from other funds	358	(46)	119	67	218	-
Due from other governments	(361)	(110)	(363)	-	112	-
Inventory of supplies	(137)	-	(27)	48	(158)	-
Prepayments	2	-	2	-	-	-
Changes in liabilities - increase (decrease)						
Accounts payable	482	27	(395)	(36)	886	-
Due to other funds	(69)	(172)	74	(18)	47	-
Wages payable	176	4	(1)	5	168	-
Taxes payable	16	-	3	1	12	-
Unearned revenues	(50)	(74)	24	-	-	-
Compensated absences	113	8	(52)	4	153	-
Other postemployment benefits	109	2	10	3	94	-
Customer deposits	(51)	-	(63)	12	-	-
Total Adjustments	<u>34,914</u>	<u>1,360</u>	<u>(26)</u>	<u>1,149</u>	<u>32,431</u>	<u>-</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 12,900</u>	<u>\$ 614</u>	<u>\$ 583</u>	<u>\$ 1,087</u>	<u>\$ 10,616</u>	<u>\$ -</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:						
Contributions of capital assets from government	\$ 207	\$ 17	\$ -	\$ 190	\$ -	\$ -

